



Montgomery County Council

For Immediate Release

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Waiting on bids results in \$2.5 million savings...

EWING HAILS RESULTS OF SCHOOL CONSTRUCTION MORATORIUM

Council President Blair Ewing today hailed the results of a 90-day moratorium on school construction bids as a success, pointing to over \$2.5 million saved in new bids for the first five projects.

The school system, in conjunction with the County Council, instituted the moratorium in May 2001 out of concern for substantially higher construction bids and their immediate and long-term impact on the County's school construction program.

"The moratorium was declared because the higher bids endangered our ability to deliver on our whole school construction program," said Council President Ewing. "We were going to be in a position of paying *more* for *less*. The moratorium was an opportunity for the construction market to cool and for prices to moderate.

"The results are in – and we are benefiting from reduced construction prices and greater competition. On the first five projects newly bid we've saved taxpayers over \$2.5 million – dollars we will sorely need in the year ahead."

According to the school system, the William Tyler Page Elementary school project came in at \$370,000 less than the original bid. Bids for additions planned at Oakland Terrace Elementary and Robert Frost Middle School totaled \$600,000 in cost avoidance. And lower bids on the Lakewood Elementary and Montgomery Village Middle School modernizations resulted in \$1.6 million in cost avoidance.

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